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4 June 1975

MEMORANDUM FOR:

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SUBJECT : CA Papers

1. Attached are papers that bear in one way or another on the question of CA. They are:

a. 14 November 1945 minutes of meeting of the Secretaries of State, War and Navy, at which they first received the so-called "Lovett Report," on intelligence. Of interest to the question of "CA" is the reference in paragraph f of Annex I is the phrase that the CIA would perform such other functions and duties, etc. There are some who now assert that this got into the National Security Act of 1947 at the last minute due to Congressional confusion; whatever it means it clearly was there from the beginning. In the context of the present concern the very next paragraph is of interest; I wonder why it was dropped?

b. A 16 May 1975 memo by Walter Pforzheimer that cites early references to CA, in connection with the 1949 Act.

c. Next is an article taken from Studies in Intelligence -- the fall 1973 edition -- by Benjamin F. Onate
 Truman's "article" is cited by opponents of CIA's CA.

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d. An interesting PM paper of 13 December 1963, covered by a 10 January 1964 memo by Walt Elder showing McCone approval.

e. A fascinating 6 April 1962 OGC opinion on CA, entitled CIA Support of Cold-War Activities. As you know, NSM (?) 40 changed the purpose from "Cold War" to general support of national policy. If you are not familiar with this I will provide a copy of a summary (not necessarily definitive) in an IG Survey Report circa 1970.

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2. The thought of a paper that combines legislative review and summary, political requirement, and congressional budgetary support might be interesting. I am sorry that I cannot at present lay my hands on the paper written by someone who was with OGC a year or so ago, but it is a very thought-provoking line of reasoning, offered in terms of the basic nature of the president as a national leader.

3. We may find time to do something on this, but for the moment we are too swamped down here to do more than eye the problem with regret.

[Redacted Signature Box]

S. D. Breckinridge

Attachments a/s

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6 April 1962

MEMORANDUM FOR: Director of Central Intelligence
SUBJECT: CIA Support of Cold-War Activities

1. This memorandum is for information only.
2. When the Central Intelligence Agency was created by statute, the National Security Act of 1947, the intent of Congress was to create a centralized machinery to coordinate all intelligence activities, to produce the intelligence estimates required for top policy planning, and to conduct certain intelligence activities. There was no mention in the statute or the legislative history behind it of cold-war activities, and at that time the wartime clandestine activities of the Office of Strategic Services, such as propaganda, guerrilla, political activity, and the like, had been disbanded. Consequently, when Secretary of Defense Forrestal asked in 1947 if CIA could undertake to combat the worldwide communist menace with covert operations, it was recognized that even though there was some relation to intelligence in some such activities a charter in this field could not be construed from the language of the statute and would have to be carried on under general Presidential authority and the approval of funds by the Congress.
3. National Security Council Directive 10/2 (NSC 10/2) gave the necessary policy direction, placing responsibility for covert operations on CIA, and Congress provided the funds. NSC 10/2 has been refined and amended, and the charter is now reflected in NSC 5412/2, but throughout Congress has provided the funds necessary to carry on clandestine cold-war action. The charter is very broadly expressed and includes propaganda, political action, economic warfare, resistance and guerrilla activities, etc., which are determined to be needed to counter the communist threat and orient the peoples of the free world to the United States. The only limitations are that CIA will not conduct activities involving armed conflict by recognized military forces or cover and deception for military operations and that the activities for which CIA is responsible are

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covert. Covert activities are defined as activities within the charter set forth in NSC 5412/2 so planned and executed that any U. S. responsibility for them is not evident to unauthorized persons and that if uncovered the U. S. Government can plausibly disclaim any responsibility for them.

4. NSC 5412/2 places responsibility on CIA to see that such activities are carried out and places responsibility on the Director to see that the appropriate departments and agencies are properly informed and that the activities are consistent with national policy and with overt operations. Thus, CIA is responsible for a broad spectrum of activities in which intelligence is not required to play a part, although normally intelligence either enters into their support or is a by-product, or both. However, under this charter, in determining whether CIA should undertake to carry out a specific activity, it is not necessary to find an intelligence target involved. It is enough if it is covert under the definition and has policy approval as being consistent with American foreign policy and overt operations and is designed to combat communism outside the United States.

5. Since it is responsible for having such activities carried out, CIA must necessarily be responsible for planning. Occasionally, suggestions for action will come from outside sources, but to depend entirely on such requirements would be an evasion of the Agency's responsibilities. Also, the average person, both in Government and outside, is thinking along normal lines and to develop clandestine cold-war activities properly persons knowing both the capabilities and limitations of clandestine action must be studying and devising how such actions can be undertaken effectively. Both in developing ideas or plans for action, it is incumbent on the Agency to obtain necessary policy approval, and for this purpose these matters should be explored with proper officials in other departments and agencies, particularly in the Departments of State and Defense, so the determination can be made as to whether any one proposal should go to the Special Group or higher for policy determination.

6. In this function, the staffs and offices of CIA are at present not inhibited by any limitations other than those broadly set forth in NSC 5412/2. Except as to total amounts available, the appropriation of funds is not a limiting factor as the Appropriations Subcommittee for CIA have approved the requested funds through the years for the general purpose of combatting communism under our charter without setting specific

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limitations of courses of action. Consequently, under present guidelines, the CIA personnel concerned are and should be developing cold-war activities of every nature without the necessity of depending on intelligence implications for their furtherance and are then promoting conduct of these activities with the other departments and agencies concerned in order to develop a position on which policy direction can be given.

7. Inasmuch as CIA is enjoined to conduct covert operations by Directive of the National Security Council, it cannot unilaterally limit its responsibility in this field or construe the Directive to mean only those operations for which intelligence collection has a primary target. Any such modification has already been made. On 23 June 1961 we were notified that the National Security Action Memorandum No. 57 had been approved by the President. This provided that where a paramilitary operation "is to be wholly covert or disavowable, it may be assigned to CIA, provided that it is within the normal capabilities of the Agency. Any large paramilitary operation wholly or partly covert which requires significant numbers of militarily trained personnel, amounts of military equipment which exceed normal CIA-controlled stocks and/or military experience of a kind and level peculiar to the Armed Services is properly the primary responsibility of the Department of Defense with the CIA in a supporting role." This, for the first time, directs Defense to develop assets for covert paramilitary action. However, this still leaves the full scope of covert activities outside of the paramilitary the responsibility of CIA.



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10 January 1964

MEMORANDUM FOR THE RECORD

On 9 January 1964, Mr. McCone approved the
recommendations in the attached paper.


W. Elder

Attachment

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cc - ExDir
- DDP

PARAMILITARY OPERATIONS

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*Ghostwriters in the
woodpile*

WHAT DID TRUMAN SAY ABOUT CIA?

Benjamin F. Onate

On 22 December 1963 the *Washington Post* and numerous other newspapers published an article syndicated by the North American Newspaper Alliance (NANA), and signed by the late former President Harry S Truman, which concluded with the following paragraphs:

For some time I have been disturbed by the way CIA has been diverted from its original assignment. It has become an operational arm and at times a policy-making arm of the Government. This has led to trouble and may have compounded our difficulties in several explosive areas.

I never had any thought when I set up the CIA that it would be injected into peacetime cloak and dagger operations. Some of the complications and embarrassments that I think we have experienced are in part attributable to the fact that this quiet intelligence arm of the President has been so removed from its intended role that it is being interpreted as a symbol of sinister and mysterious foreign intrigue—and a subject for Cold War enemy propaganda.

With all the nonsense put out by Communist propaganda about "Yankee imperialism," "exploitive capitalism," "war-mongering," "monopolists" in their name-calling assault on the West, the last thing we needed was for the CIA to be seized upon as something akin to a subverting influence in the affairs of other people. . . .

But there are now some searching questions that need to be answered. I, therefore, would like to see the CIA be restored to its original assignment as the intelligence arm of the President, and whatever else it can properly perform in that special field—and that its operational duties be terminated or properly used elsewhere.

We have grown up as a nation, respected for our free institutions and for our ability to maintain a free and open society. There is something about the way the CIA has been functioning that is casting a shadow over our historical position, and I feel that we need to correct it.

The starter's flag had been dropped, and the contestants raced into the field. Senator Eugene McCarthy (D., Minn.), appeared in the *Saturday Evening Post* with an article entitled: "The CIA is Getting Out of Hand." Richard Starnes used the alleged Truman article as the peg for a column in the *Washington Star* headlined "HARRY S FIRES TELLING BROADSIDE AT CIA." Dozens of editorials along the same line sprouted in such papers as the *New York Post*, the *Tarrytown, N.Y., News*, the *Berkshire Eagle* of Pittsfield, Mass., *The Charlotte News* in North Carolina, the *Pittsburgh Press*, the *Cleveland Press and News* and the *Columbus Citizen-Journal* in Ohio, the *Milwaukee Journal*, the *Kansas City Times*, and the *Sacramento Bee* and *Santa Monica Evening Outlook* in California. It was open season on CIA over the 1963 year-end holidays, and for more than nine years since then the article in question has been stock-in-trade for writers of books and articles attacking CIA, most recently L. Fletcher Prouty in his *The Secret Team: The CIA and its Allies in Control of the United States and the World*.

The CIA rocked back on its heels for a while, stunned that the source for these attacks should be President Truman, the Enacting Father of the Agency, and the man who had put CIA into the field of "such other functions and duties"

by covert action assignments in Italy, Greece, and Turkey. In June of 1948, in fact, Truman himself had led the National Security Council to authorize the creation of a new office within CIA to carry out cover operations directed against secret Communist subversion (the Office of Policy Coordination).

Had Truman written the statement? It developed that he had *not*, but as the Germans say, "Lies have long legs," and by the time a denial could have been obtained, the impact of the original statement was so widespread that a denial never would have caught up with it.

Nevertheless, as long as the statement continues to pop up in fantasies like Prouty's, it appears to serve some purpose to get the facts into the record.

Allen Dulles, by this time in retirement, drafted a three-page letter to the former President at Independence, Mo., noting more in sorrow than in anger the views recited in the NANA article, and reminding him that while Truman had indeed stressed the role of CIA as the President's intelligence arm, he had also by his own action first put CIA into the covert operations field.

The draft, found in Dulles' papers, does not show whether or not it was sent. On 17 April 1964, however, Dulles was in Kansas City for a speaking engagement, and made an appointment to see Truman that afternoon.

In a memorandum of 21 April 1964 for the General Counsel of CIA, Dulles subsequently reported:

I then reviewed with Mr. Truman the part he had had in supplementing the overt Truman Doctrine affecting Greece and Turkey with the procedures largely implemented by CIA to meet the creeping subversion of Communism, which could not be met by open intervention, military aid, under the Truman plan. I reviewed the various covert steps which had been taken under his authority in suppressing the Huk rebellion in the Philippines, of the problems we had faced during the Italian elections in 1948, and outlined in some detail . . . the organization of the Free Europe Committee and Radio Free Europe, keeping hope alive in the Satellite countries, etc.

Mr. Truman followed all this with keen interest, interjected reminiscences of his own, recalled vividly the whole Italian election problem, as well as the Huk situation. I then showed him the article in the *Washington Post* of December 22, 1963, which I suggested seemed to me to be a misrepresentation of his position. I pointed out the number of National Security Actions (Action #4 and Action 10-2) which he had taken which dealt with covert operations by the CIA. He studied attentively the *Post* story and *seemed quite astounded at it. In fact, he said that this was all wrong. He then said that he felt it had made a very unfortunate impression.* [Emphasis added]. . . .

At no time did Mr. Truman express other than complete agreement with the viewpoint I expressed, and several times he said he would see what he could do about it, to leave it in his hands. He obviously was highly disturbed at the *Washington Post* article. . . .

I cannot predict what will come of all this. It is even possible, maybe probable, that he will do nothing when he thinks it over. He may, of course, consult with those, whoever they are, who induced him to make the original statement.

Even in retirement, Dulles was still proving himself a prescient estimator. There is no record that Truman took any further action on the matter. But the final piece in the puzzle fell into place six weeks later when Lt. Gen. Marshall S. (Pat) Carter, then the DDCI, was at the Truman Library in Independence for one of the regular briefings arranged for the former President by President Johnson.

Truman and CIA

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Prior to their meeting with Truman, General Carter and his Executive Assistant, Enno H. Knoche (now head of FBIS), were chatting briefly with David Noyes. Noyes had been a White House assistant while Truman was President, and continued to serve him in various capacities in retirement. According to a memorandum based on Knoche's notes on the meetings, "Noyes evidently drafts Mr. Truman's statements and articles, and admitted quite freely the authorship of the Truman article on CIA which was published on 22 December 1963. . . . It is highly doubtful whether President Truman ever saw the article prior to its publication, as he was already beginning to age considerably at that time."

During the actual briefing of Truman, Knoche recalls, "Carter did get into this subject, at least slightly. He referred in general to recent criticism of the Agency and its operations, and reminded Truman that it was he himself who had authorized most of the early clandestine operations in response to such challenges as Italy and Greece. Truman broke in on the General's statement to say yes, he knew all that, it was important work, and he would order it to be done again under the same circumstances. He went on to add, however, that he had set up the CIA to pull together basic information required by the presidency, but which had been denied to him by State and Pentagon handling procedures. He said this was the main purpose." General Carter dropped the subject at that point, and went on with the briefing.

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16 May 1975

INSPECTOR GENERAL

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MEMORANDUM FOR: The Director of Central Intelligence

SUBJECT : Early Mention of CIA Covert Action Activities to the Congress

1. In 1948, the Congress considered legislation which was to become the CIA Act of 1949. This legislation originally passed the Senate in 1948 and was approved by the House Armed Services Committee. However, time did not permit its passage in the House in 1948, and the whole matter went over to 1949.

2. On 8 April 1948, the Director testified before the House Armed Services Committee in support of the legislation. A detailed brief, which is largely technical, was prepared for his use and became a part of his statement.

3. Section 3 of the CIA Act of 1949 (as in 1948) authorizes CIA to exercise certain authorities contained in the Armed Services Procurement Act of 1947. One such section provides that purchases and contracts for supplies and services may be negotiated by the Agency head without advertising if the public exigency will not admit of the delay incident to advertising. Several examples were given in support of this request. The first one listed is:

4. Another subsection of Section 3 of the CIA Act of 1949 provides that purchases and contracts for supplies and services may be negotiated by the Agency head without advertising for personal or professional services. In his 1948 justification for this section, the Director said:

"This section is needed by the Agency to allow for the employment of individual specialists and professional services in connection with research into various types of special intelligence equipment, such as machine records, communications and explosives. ... As an additional example, one can point to contracts which the OSS made during the war with a few firms to develop certain types of explosives, fuses and limpets for agent weapons. This was not the type of material which could be developed in normal ordnance channels. Explosive pencils, suppository capsules, trick concealed weapons, explosive plastics, the Fairbairn knife, the baseball grenade, special silencers, Old Black Joe which was an explosive developed to be used with coal, barometric switch detonators and similar gadgets make up the movie version of intelligence gadgets which must be developed under this section [of the Act]."

5. Again under Section 3 of the Act, which calls for personal service contracts with people and educational institutions, the Director said:

"This authority is requested in order that the facilities of certain educational institutions may be utilized in the preparation of basic unclassified research with respect to foreign countries and areas. Such subjects as transportation systems..." [Senator Schweiker's 'pet' subject.]

Walter Pforzheimer

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Approved For Release 2008/08/21 : CIA-RDP04M01816R000501660001-2

MEETING OF THE SECRETARIES OF STATE, WAR AND NAVY
November 14, 1945, 10:00 a.m.

Present:

The Secretary of State 1 02

The Secretary of War
accompanied by Robert A. Lovett, Assistant
Secretary of War for Air and Colonel
Charles W. McCarthy.

The Secretary of the Navy
accompanied by Major Correa

Mr. Matthews

Central Intelligence Agency

Mr. Forrester said that there was only one matter that he wished to discuss, namely, the question of a Central Intelligence Agency and referred in this connection to the President's directive to Admiral Leahy. Mr. Byrnes said that Admiral Leahy had not been aware of the fact that at present no law exists authorizing the establishment of a central intelligence organization and that, consequently, no definitive action can be taken until the Government reorganization law is passed. He expected that this might take place in two or three weeks. He would be glad, however, to consider the framework of the organization to be set up and thought we should take the several plans submitted into consideration and try to integrate and reconcile them. Mr. Patterson said that Mr. Lovett had been devoting a great deal of time to the study of the problem and he would like to have him give an account of his conclusions.

Mr. Lovett then circulated a summary of a report of his committee dated November 3, 1945 (copy attached as annex 1). He said that there are three aspects which his committee had covered: (1) the general survey; (2) the external problem; and (3) the internal problem within the War Department. He said his committee had called many people as witnesses including those who had worked on the British "ultra" and "Y" systems. They had gone into all phases of espionage and clandestine work and he was convinced that it must be centralized. His committee reached the conclusion that a National Intelligence Authority and a Central Intelligence Agency should both be established as soon as possible. The former should be composed of the Secretaries of State, War and Navy and a representative of the Joint Chiefs of Staff. It should be empowered to formulate policies which would be binding upon the Central Intelligence Agency and all intelligence activities of other Government departments. The Central Intelligence Agency would be headed by a Director to be appointed or removed by the President on recommendation

Not du
NIA record.
CIA does not
object to
declassification
of SHUL
NSC approve.

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of the National Intelligence Authority. Within the Central Intelligence Agency, he said, there should be constituted a "reading panel" or Intelligence Board on which, in addition to the War, Navy and Air Staffs, the principle civilian intelligence agencies would be represented. This board would be expected to study and evaluate intelligence facts and its reports would represent the combined views of the members. Where a difference of opinion existed, however, the report would likewise contain the dissident views. This Mr. Lovett thought was an important aspect and he believed the failure of the German Intelligence Service to permit a presentation of dissenting views was largely responsible for its breakdown. The British service, he felt, was greatly superior. In the first place it possessed continuity and the technical composition of the British Intelligence Service permitted it to divorce the factual aspects of their findings from political creed. He pointed out that the four top German Intelligence Officers had been executed for political reasons. The result was that German Intelligence authorities were afraid to interpret facts which might be contrary to Nazi policy. A shining example of this was the failure of the German Intelligence Service to anticipate our North Africa landings and led them to express their conclusion that there was inadequate Allied shipping to support such an operation. When we send our people out, such as Ambassadors, with the outlook of our national policy we are bound to get reports which are colored to a certain extent. He said the Italian Intelligence Service was better and more factual than the German. At present he believes that we are in a better situation than the British, having more than a hundred good contact agents, and mentioned particularly our close intelligence relationships established during the war with Czechoslovakia and the Dutch. These contacts are, however, based on considerations of personal confidence and unless some decision is promptly reached on our future intelligence set-up, we are in danger of losing what we have built up.

Mr. Lovett said that an advantage of the system he proposed lay in the fact that conclusions would be reached not by one man but by a board thus avoiding the danger of having a single slanted view guide our policies. As an example of this danger, he pointed to the error of our intelligence service in predicting that Russia couldn't last six weeks. Furthermore, overt and special intelligence under his plan are fitted in with clandestine intelligence.

Mr. Byrnes said that the Budget report on this question seemed to be very elaborate and he would not agree with it all through. One difficulty, he said, is that so much intelligence is accumulated that it cannot be read.

Mr. Lovett said that intelligence is a very involved subject. It includes: (1) the collection of information, (2) the accurate interpretation of information, and (3) the proper dissemination of information. We must first reach the impartial view on the facts and then get the information where it is needed. Suspicion, distrust and jealousy seem to be the occupational diseases of anyone dealing with

intelligence.

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intelligence. They cancel out a lot that seems to be apparent. It is important that operations should be centralized. He cited the case where OSS agents in Lisbon stole a Japanese code which had long been in the possession of our G-2 cryptanalysts and thus "gummed up" the situation by causing the Japanese to change codes. Mr. Forrestal agreed that it is important that the policy aspect should not be so strong as to prejudice our intelligence evaluations. He remarked that Colonel Truman Smith had "his head cut off" because people here did not wish to believe that Germany was strong enough to accomplish what she did.

Referring to the Budget Bureau's plan Mr. Lovett said that it was too loose and had too many aspects of a town meeting. Mr. Byrnes said that he did not like the joint commission it provided for which included, for example, the Department of Commerce. He furthermore, did not like the emphasis on research and analysis to the degree it had been given. The Budget report, he said, pointed out that we had had to improvise during the war in many matters of industrial intelligence which should have been prepared long before. The plan was too elaborate, he felt, and too big. While it contemplated a Central Intelligence Agency it left operations in each separate Department. The argument against duplication still holds against the Budget Bureau proposal.

Mr. Lovett said that in his opinion the Budget project fails in three respects: (1) it provides for very loose coordination; (2) it provides for multiple collecting agencies which is bad in clandestine intelligence. Frequently they might operate against each other. There should, he feels, be only one operating agency dealing with espionage; (3) it treats the problem as though the Cabinet members were going to operate it. This in practice is impossible.

There was some discussion of the role of the FBI and there was general agreement that intelligence should be divorced from police powers. Mr. Lovett thought that when you put both in the hands of a single agency the result is a "gestapo". On the other hand, he felt, that the FBI should be on the reading panel because they have the best personality file in the world. Also, the FBI is expert on the production of false documents which we developed so successfully during the war and at which we became outstandingly adept.

Mr. Byrnes said that it was apparent that all were in favor of a central agency. He mentioned that the Budget report minimized the value of clandestine espionage and inquired as to the authorship of the report. Mr. Lovett said that he understood that it had been written by Mr. Donald Stone and Mr. Schwarzwolder. Mr. Byrnes and Mr. Patterson suggested the appointment of a working committee to get at the problem as quickly as possible since the existing organization is rapidly disintegrating and funds for certain units are available only until January 1. Mr. Byrnes appointed Mr. Russell and Mr. McCormack to represent the State Department and

suggested

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suggested that each Department have two representatives. Mr. Patterson appointed Mr. Lovett. (The second name given later was General George Brownell and Mr. Forrestal later named Rear Admiral Sauers and Major Correa.)

Mr. Patterson inquired whether anyone knew of a good man for the important position of Director of Intelligence. Mr. Lovett said the only name he had heard mentioned was that of Allen Dulles who was generally regarded as highly competent in that field. He had organized the best job of the OSS in Switzerland.

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ANNEX I

Summary of Report of Committee headed by Mr. Robert A. Lovet
Assistant Secretary of War for Air, dated 3 November 1945.

The committee, after summarizing the witnesses which it heard and indicating that the report on certain other features should be supplemented by later studies on certain subsidiary aspects, traces the history of foreign intelligence work in this country. It comes to the conclusion as a general matter

a. that prior to the war there was no adequate foreign intelligence system, and intelligence technique were not properly understood;

b. that there was lack of coordination in intelligence during the war;

c. that there is need of trained and experienced intelligence officers in both military services;

d. that there has been an undue amount of change in top personnel in both services;

e. that it is vital that there be created an organization and system in the United States adapted to future growth which will retain competent personnel now in the United States for the benefit of the country

There were then the following comments on the establishment of a central intelligence organization:

The committee has unanimously reached the conclusion that this Government should establish as promptly as possible a National Intelligence Authority and a Central Intelligence Agency. The committee has considered a number of recommendations, received from various sources, as to the composition, functions and the location of such central organizations, including those contained in the report of the Director of the Office of Strategic Services and in the Joint Chiefs of Staff Study of September, 1945 (JCS 1181/5). The committee finds itself more nearly in agreement with the recommendations of the Joint Chiefs of Staff than with any of the other proposals that have been advanced. In setting forth below its own recommendations, it will therefore adopt in a substantial part the language of the Joint Chiefs of Staff memorandum, modified so as to accord with the committee's views in certain particulars.

The committee recommends the creation of a National Intelligence Authority composed of the Secretaries of State, War and Navy, and a Representative of the Joint Chiefs of Staff. When and if the National Defense Organization includes a Secretary or Under Secretary of Air, the Authority should be expanded by the addition of that individual. Provision should also be made for the addition of other members of the Authority upon the recommendation of the existing members, with the approval of the President.

The National Intelligence Authority should have complete authority to formulate policies which shall be binding upon the Central Intelligence Agency and all intelligence activities in other Government departments

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and agencies. The Authority should be charged with the responsibility for such overall intelligence-planning and development, and such coordination of all federal intelligence activities, as to assure the most effective accomplishment of the intelligence mission related to the national security.

There should also be created a Central Intelligence Agency headed by a Director who should be appointed or removed by the President on the recommendation of the National Intelligence Authority. The committee believes that in order to insure continuity the Director should be appointed for a long term of years, preferably not less than six. The Director of the Central Intelligence Agency should be responsible to the National Intelligence Authority and sit as a non-voting member thereof.

There should be created within the Central Intelligence Agency an Intelligence Board which should consist of the Assistant Chief of Staff, G-2, WDGS, the Assistant Chief of Air Staff-2 and the Director of Naval Intelligence, and the Chiefs of the principal civilian intelligence agencies having functions related to the national security as determined by the National Intelligence Authority. The functions of this board should be to assist the Director, who shall serve as its Chairman, in the carrying out of all of the activities and purposes of the Central Intelligence Agency and to facilitate coordination between the Central Intelligence Agency and the departments and agencies represented on the Board. The Director shall consult with and secure the opinion of the Board on all important questions which may arise in the course of the operations of the Central Intelligence Agency. In the event of a difference of opinion between the Director and members of the Intelligence Board, the decision of the Director shall be controlling, subject, however, to the right of any member of the Board to have the question submitted for final decision to the National Intelligence Authority. The Director should also consult with the Board before delivering any estimates and appreciations to the President or any member of the Cabinet, and if there shall be a difference of opinion among the Director and the members of the Board, in any such case the differing opinions should accompany the Director's report.

Except for its responsibility to the National Intelligence Authority, the Central Intelligence Agency should be independent. It should be supported by an independent budget, and its appropriations should be obtainable without public hearings.

Subject to the direction and control of the National Intelligence Authority, the Central Intelligence Agency should:

- a. Operate as the sole collection agency for all departments of the Government in the foreign espionage and counter-espionage fields.
- b. Perform for the benefit of departmental intelligence agencies such other intelligence services

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services of common concern as the National Intelligence Authority determines can be more efficiently accomplished by a common agency, including the direct procurement of intelligence.

- c. Coordinate the activities of all intelligence agencies of the Government whose activities relate to the national security, and recommend to the National Intelligence Authority the establishment of such over-all policies and objectives as will assure the most effective accomplishment of the national intelligence mission.
- d. Furnish to any Government department or agency, upon the request of its representative on the Intelligence Board, any intelligence material or evaluation, which, in the opinion of that member, is necessary for his department or agency, provided, however, that in the event that the Director believes it undesirable for any such material or evaluation to be so furnished, he may submit the matter to the Intelligence Board for decision or, in the event of disagreement within the Board, to the National Intelligence Authority.
- e. Accomplish the evaluation and synthesis of intelligence collected or assembled by it, and the appropriate dissemination within the Government and among the several departments of the resulting strategic and national policy intelligence.
- f. Perform such other functions and duties related to intelligence as the National Intelligence Authority may from time to time direct. ✓

The Central Intelligence Agency should not conduct espionage activities within the United States. It should have no police or law enforcement functions either within or without the United States.

Subject to coordination by the Central Intelligence Agency, and to the limitations expressed above, the existing agencies of the Government should continue to collect, evaluate, synthesize, and disseminate departmental intelligence, herein defined as that intelligence required by the several departments and independent agencies for the performance of their proper functions. Such departmental intelligence as is required by the Central Intelligence Agency should be made freely available to it for synthesis. When approved by the National Intelligence Authority, the operation of the departmental intelligence agencies should be open to inspection by the Central Intelligence Agency in connection with its coordinating functions. In the interpretation of this paragraph the National Intelligence Authority and the Central Intelligence Agency will be responsible for fully protecting intelligence sources and methods which, due to their nature, have a direct and highly important bearing on

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military operations and national security.

Operating personnel, including specialists, should be furnished to the Central Intelligence Agency by the various departments and agencies engaged in intelligence activities. The Director of the Central Intelligence Agency should have the right, with the approval of the Intelligence Board, to call upon any such departments and agencies to furnish the Agency with personnel for advisory and functional positions.

The committee then proceeds to discuss the interim disposition of SSU and recommends certain further studies within the War Department while that Unit is in process of being reduced to a nucleus of a suitable foreign intelligence service.